# 2013

# Business & Financial Plan

SAMA

Saskatchewan Assessment
Management Agency

## Statement from the Board

We are pleased to present the Saskatchewan Assessment Management Agency's proposed Business and Financial Plan for 2013. The agency has taken up the Government's challenge to its third parties to participate in Keeping the Saskatchewan Advantage through public service renewal.

The agency's 2013 budget is about meeting this challenge by increasing the efficiency of operations and pursuing smarter delivery of programs, and doing so within a smaller footprint. The agency has also found innovative ways to achieve efficiencies in the delivery of important property assessment services to the Province, municipal governments and to the public.

We accept responsibility for furthering our stakeholder's interests while ensuring the agency is managed with integrity and professionalism in pursuit of our mission to develop, regulate and deliver a stable, cost-effective assessment system that is accurate, up-to-date, universal, equitable and understandable.

The agency will report on progress made toward this plan in its Annual Report to stakeholders.

*SAMA Board of Directors*
*June 2012*

## Response to Stakeholder Direction

This plan reflects the Government's continued focus on economic growth, supporting the creation of new opportunities through strategic investments, ensuring that the prosperity is shared and our quality of life is enhanced.

**Government's Vision**

*"... a strong and growing Saskatchewan, the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."*

| Sustaining growth and opportunities for Saskatchewan people | Improving our quality of life | Making life more affordable | Delivering responsive and responsible government |
|---|---|---|---|

Three years ago, the Government started a process for public service renewal by looking at ways to increase the efficiency of operations and pursuing smarter delivery of programs, and to do so within a smaller footprint.

The agency started using Lean process improvements to increase the efficiency of operations and has demonstrated that it is possible to have a smaller, more efficient and effective organization.

By 2012, the agency had:

- Reduced the size of its workforce by 19.1% to 143.75 FTEs.
- Reduced the cost of assessment services for the Province by $1.356 million to $9.565 million.
- Held the cost of assessment services for municipalities at $5.788 million annually since 2005.

## Executive Summary

Balanced budgets are a key part of keeping the Saskatchewan Advantage. For the agency this means that its spending is affordable for the agency's funding parties and sustainable over the long term.

The agency's partners have identified that renewed priority needs to be given to property reinspections, and that the amount of resources expended on revaluations in the past has detracted from property reinspections.

One of the best things we can do to improve the quality and accuracy of property assessments is to make sure the data that determines the assessment is up-to-date. When properties are missed and not assessed, it leads to inequalities in the amount of property taxes individual property owners pay, and lower property tax revenues for municipalities and education.

The reinspection of the entire property assessment base will be an agency priority.

*In 2013, the agency will commit to completing the reinspection of the entire property assessment base by 2023.*

The reinspection of all properties over the next 10 years will be accomplished by:

- Innovative restructuring of the property inspection programs.
- Simplify revaluation processes.
- Simplify property inspection processes.
- Acquire proven remote data collection and Geographic Information System (GIS) technologies.

Simplified revaluation processes attained with Lean process improvements and GIS technologies will reduce the time spent on revaluations by 25% from 25 to 19 FTEs annually for a four-year revaluation cycle. These resources will then be allocated to additional property reinspections.

Simplified property inspection processes attained with Lean process improvements and remote systems access and data collection technologies will double production rates from 1,050 to 2,100 property inspections per FTE over the next four years. The efficiency gains in property inspections will effectively reduce the current property reinspection cycle by 50% from 45 to 22.5 years.

It will be an innovative restructuring of the property reinspection and annual maintenance programs into a more efficient program that will enable the agency to make the leap to reinspecting all properties at least once every ten years.

*2013 Funding Request*

In 2013, the agency will maintain an operational workforce of 143.75 FTEs and its operating budget will increase $522,000 (3.3%) to $16.310 million.

The agency will also establish a four-year capital budget of $4.897 million for the development of remote data collection and GIS technologies.

The agency is requesting its funding parties to increase their operational funding to $16.310 million for 2013:

- $10.087 million Provincial operating grant.
- $5.788 million municipal requisitions.

The agency is requesting its funding parties to provide capital funding of $1.224 million for 2013:

- $612,000 Provincial restricted grant.
- $612,000 Requested services fee from municipalities.

# Major Initiatives

The agency has been reviewing its programs and services to find more efficient ways of doing business, and has also been examining how best to prioritize and finance capital infrastructure projects to achieve better results.

*The agency will commit to completing the reinspection of the entire property assessment base by 2023.*

### How it will be achieved

The agency's commitment to reinspect all 720,000 urban and agricultural properties and 78,000 industrial properties over the next 10 years will be attained by increasing the agency's capacity to do reinspections.

**Urban and Agricultural Properties**

Restructuring the property reinspection program will increase its capacity three-fold from 16,000 to 47,000 properties annually.

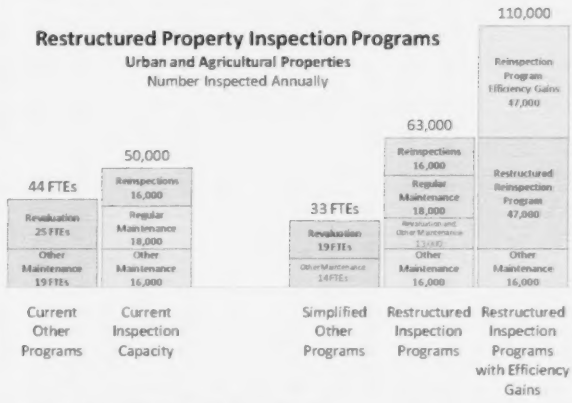
Simplifying processes and adopting remote data collection and GIS technologies will double production rates from 1,050 to 2,100 property inspections per FTE, further increasing the agency's capacity to 94,000 property reinspections annually.

*Restructure the property inspection programs*

The property reinspection program will be restructured to incorporate the regular maintenance portion of the annual maintenance program, and resources from the revaluation and other programs.

Duplication of effort will be eliminated by transferring 18,000 partial property updates from the annual maintenance program to the reinspection program where the entire property will be reviewed and updated.

The benefits achieved from 25% efficiency gains attained in the revaluation program and other portions of the annual maintenance program will also be transferred to the reinspection program providing the capacity to reinspect an additional 13,000 properties annually.




*Simplify revaluation processes*

**Revaluation processes** will be simplified for urban properties with improved sales verification processes, and the use of less complex valuation models and market value trending for future revaluations. The use of GIS technologies will also improve revaluation efficiency, and contribute to reducing the amount of resources used on revaluations.

Lean based changes made to revaluation processes have reduced the time spent on revaluations from 33 FTEs annually for the 2006-2009 revaluation to 25 FTEs annually for the 2010-2013 revaluation. Systemic changes to property revaluation processes and the use of GIS technologies will effectively reduce the time spent on revaluations by an additional 25% from 25 to 19 FTEs annually for a four-year revaluation cycle.

*Simplify property inspection processes*

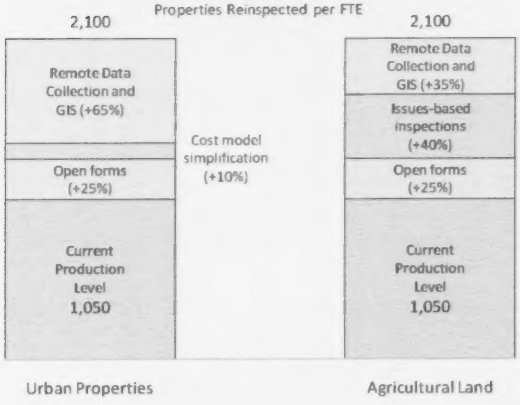
**Open forms technology** will be used to develop simplified and reorganized user-friendly property data collection forms for appraisers and to develop a more efficient interface for entering property data into the Saskatchewan Property Assessment Network (SPAN).

Open forms will improve the efficiency of annual maintenance and reinspection programs and services by 25% when fully implemented in 2014.

**Cost model simplification** will reduce and reorganize the amount of property information that is currently collected to assess a typical building from over 150 to less than 30 elements of information.

Simplifying the costs models will improve the efficiency of annual maintenance and reinspection programs by 10% when rolled out in 2016. Additional significant benefits will be realized by using simplified cost models in the remote data collection technologies being developed for use starting in 2017.

**Simplified Property Inspections with RDC and GIS Technologies**




The **agricultural land reinspection program** will be redesigned from a detail-based inspections process to an issues-based inspections process, thereby eliminating the effort required to reinspect approximately 350,000 agricultural land properties in-detail.

Issues-based inspection processes will focus on the identifying those 115,000 properties where the soil or acreage data used to determine the property assessment is out-of-date, and using detailed-based inspection methods for only those properties.

Issues-based inspection processes used in conjunction with open forms, remote data collection and GIS technologies will effectively reduce the time needed to reinspect all agricultural land by 50%.

*Remote data collection and GIS technologies*

This is a four-year capital technologies infrastructure project that will acquire proven technological systems already being used by the mass appraisal industry.

Remote data collection devices and web portal access to the SPAN system will eliminate the duplication of effort and the inefficiencies of the current paper-based data collection and data entry methods.

GIS and digital imagery technologies will eliminate the current paper-based mapping and image display systems and the inefficiencies of manually mapping and calculating acreage data for agricultural land.

The adoption of remote data collection and GIS technologies will improve the inspection efficiency of urban property by 65% and agricultural land 35%.

## Industrial Properties

Lean process improvements, open forms, cost model simplification and remote data collection technologies will improve the efficiency of the industrial property assessment program by 25-50% over the next four years, effectively increasing the capacity of the program from four appraisers in 2012 to the equivalent of 5-6 appraisers by 2016.

With continued significant growth expected in Saskatchewan's energy and minerals sectors, the capacity of the industrial property assessment program will need to be further increased to meet growing demand for additional property assessments. From 2013 through to 2016, the agency will progressively increase the capacity of the industrial program by three appraiser FTEs through the reallocation of its current compliment of 143.75 FTEs.

# Strategies and Actions

## Strategy

*Provide up-to-date, quality property assessment valuations to the Provincial government and client municipalities.*

### Key Actions

- Complete the province-wide revaluation of 798,000 properties and provide updated property assessment valuations to 756 client municipalities for use on their 2013 municipal assessment rolls.
- Provide professional management of up to 5,000 property assessment appeals to client municipalities including one-on-one assessment reviews with property owners, and attending to appeals filed with local board of revisions, the Saskatchewan Municipal Board and the Court of Appeal.
- Complete annual maintenance reviews for client municipalities of 34,000 residential, commercial and agricultural properties for use on their 2014 municipal assessment rolls.
- Complete annual maintenance reviews of 76,000 industrial properties for use on their 2014 municipal assessment rolls.
- Complete reinspection reviews for client municipalities of 1,300 industrial properties for use on their 2014 municipal assessment rolls.
- Reinspections of non-industrial properties (residential, commercial and agricultural land) will be limited by the increased number of property assessment appeals that will occur with the implementation of the province-wide revaluation onto municipal assessment rolls in 2013.
- Provide client municipalities, the provincial government, stakeholders and property owners with reliable and timely access to property assessment records, confirmed municipal assessment totals and information on property value trends in Saskatchewan.
- Through informational materials, training workshops and other initiatives, continue to work with client municipalities, stakeholders and property owners to educate and raise awareness of the property assessment system, and assessment policies and practices.

## Strategy

*Support Saskatchewan's growing economy with a fair and equitable property assessment system.*

### Key Actions

- Ensure the rules of assessment establish a fair property assessment system for Saskatchewan.
  - Develop policies and procedures for cost model simplification, as a prerequisite to the development of simplified data collection processes, simplified valuation models and remote data collection technologies. Cost model simplification will commence in Q3 of 2012 and will continue through 2013.
  - Develop policies and procedures for simplified valuation models.

- Coordinate the consistent application of assessment valuation methodologies by appraisers.
    - New procedures training and pre-work for the redesigned issues-based agricultural land reinspection program starting in Q3 of 2013. The redesigned issues-based reinspection program will be fully operational for agricultural land in 2014.
- Operate and maintain the Saskatchewan Property Assessment Network (SPAN), the computer assisted mass appraisal system used to derive and store property assessments.
- Develop technological applications for property assessment appraisal in Saskatchewan.
    - Redesign property data collection forms using open forms technology and develop the interface with the Saskatchewan Property Assessment Network (SPAN). Initial rollout of open forms will commence in Q4 of 2012, with full implementation being completed by 2014.
- Ensure compliance with property assessment statutory requirements.
- Confirm municipal assessment rolls that are accurate and have been completed in accordance with the municipal Acts.

## Strategy

*Manage our business effectively and efficiently.*

### Key Actions

- Utilize Lean value-stream mapping events and other tools to increase the efficiency and effectiveness of:
    - Property inspection processes.
    - Sales verification processes.
    - Revaluation processes.
- Develop and maintain computer-assisted technologies that optimize the Agency's business operations.
- Develop and maintain computer-assisted technologies that have been effectively adapted for use by the mass appraisal industry and integrate into the Saskatchewan Property Assessment Network for use by Saskatchewan appraisers.
    - Commence the four-year development project for remote data collection applications.
    - Commence the four-year development project for an enterprise geographic information system (GIS).
- Ensure leadership, relationship, learning and workforce systems are aligned to deliver quality services effectively.
- Strengthen management, administrative and accountability practices.
- Provide professional services, technical services and assessment information services to business clients.

# Performance Measures

## Measure – Delivery of property assessment services

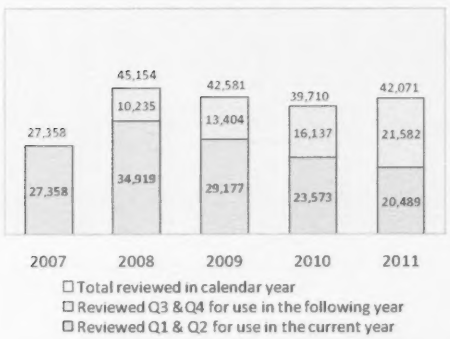
### Properties assessed for client municipalities

*Annual maintenance program*

The annual maintenance program reviews and updates all properties with developments or changes that may affect the property's assessed value. The municipality submits a list of the properties affected, and the agency reviews each property and provides the municipality with an updated assessed value for their assessment roll.

In 2011, annual maintenance reviews were completed on 42,071 residential, commercial and agricultural land properties and 74,672 industrial properties.

**Annual Maintenance Reviews**
Number of Residential, Commercial and Agricultural Properties




Residential, commercial and agricultural land annual maintenance reviews increased 34% between 2007 and 2011 – 27,358 reviews for the 2007 assessment rolls and 36,626 reviews for the 2011 assessment rolls.

The number of reviews for the 2012 assessment roll will decline slightly to 34,000 property reviews and is expected to stabilize at that level for the next few years.

A moderate growth rate in industrial property reviews is expected with 75,000 reviews expected for 2012 assessment rolls and 76,000 reviews expected for 2013 assessment rolls.

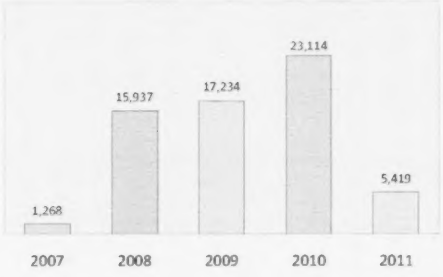
*Property reinspection program*

Over time property assessments become dated because of the cumulative effect of physical attribute and condition changes that are not identified for an annual maintenance review.

The reinspection program undertakes to review each property to re-establish a uniform base of up-to-date property records for the municipality.

In 2011, the agency completed 5,419 property reinspections – 4,472 residential and commercial reinspections, 628 agricultural land reinspections and 320 industrial property reinspections.

**Property Reinspection Reviews**
Number of Properties




The agency reinspected over four times the number of properties than were reinspected in 2007 which is the most recent comparable year in the previous four-year property revaluation cycle.

In 2012, the agency will be reinspecting 11,520 properties – 8,333 residential and agricultural land properties, 1,887 commercial properties and 1,300 oil and gas industrial properties.

In 2013, the agency will be reinspecting 1,300 oil and gas properties but reinspections of non-industrial properties will be limited. With the implementation of the province-wide revaluation onto municipal assessment rolls, the agency expects an appeals level of 5,200 properties at which no non-industrial reinspections will be undertaken.

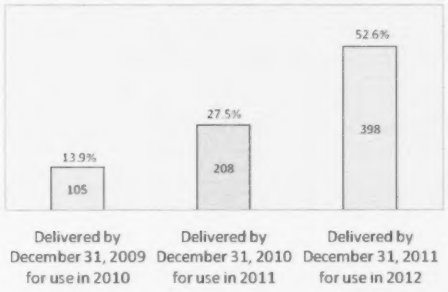
## On-time delivery of client services

Under the Lean initiative the agency has undertaken to improve the on-time delivery of annual maintenance services to its client municipalities. Since 2008, the objective has been to advance the delivery of annual maintenance to help enable client municipalities in the preparation of their assessment roll by the May 1st legislated deadline, and to improve program efficiency by balancing out the agency's workload.

In 2011, 511 (67%) client municipalities submitted their annual maintenance requests by September 1st, a significant improvement since 2008 when only 347 (46%) municipalities submitted their requests by October 1st.

**Annual Maintenance Delivery Services**

Maintenance delivered to client municipalities by December 31st




The agency delivered completed annual maintenance for use in 2012 to 398 (52.6%) of its 756 client municipalities by December 31, 2011.

Significant and steadily improving progress has been made since the 2008 assessment roll when no annual maintenance was delivered to client municipalities by December 31, 2007.

In 2012, the agency expects to have annual maintenance available for delivery to 80% (605) of its client municipalities by December 31, 2012, and will maintain that level of service through to 2013.

## Client satisfaction

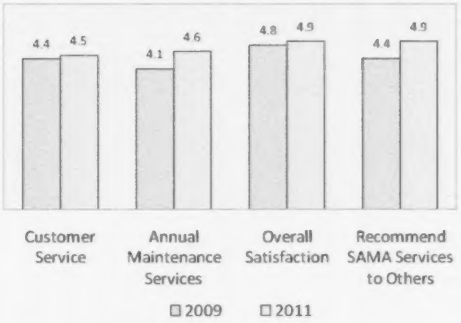
The success of the agency's property assessment programs is dependent largely on public knowledge, understanding and acceptance of related assessment policies

The maintenance of positive communications and relationships with provincial and local government stakeholders, client municipalities and school divisions, and property owners are essential to the agency's ongoing success.

The agency has maintained high rating levels from its client municipalities for customer service, annual maintenance services and overall satisfaction with the agency's services, and has also maintained a high recommendation rating from its clients.

**Client Satisfaction**

(Out of 5)




In 2011:

- Ninety-two (92%) of client municipalities rated the agency as excellent or good in terms of the job it has been doing on annual maintenance.
- Ninety-nine (99%) the client municipalities rated their overall satisfaction with the agency as satisfied or somewhat satisfied, with only 1% registering dissatisfaction.
- Ninety-eight (98%) of client municipalities would likely recommend the agency's services to others in the same position as themselves.

## Measure - Quality of property assessment services

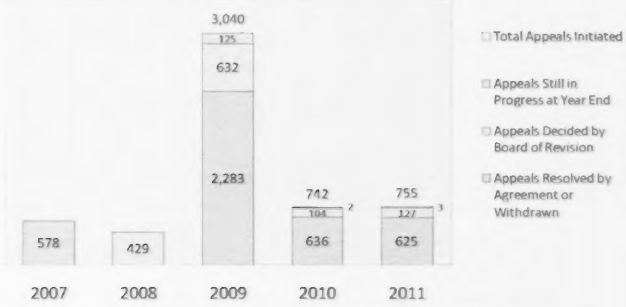
### Amount of assessment at risk through appeals

Property owners who believe that their property's assessed value is not accurate may appeal the assessment to the local board of revision, and subsequently to the Saskatchewan Municipal Board and the Court of Appeal.

The agency's appraisers will meet with property owners in an initial attempt to identify and resolve any valuation errors prior to the formal appeal process. Where there is not an apparent resolution to a property owner's concerns, the agency provides the municipality with professional appraisal and legal expertise to support the property assessment values through all levels of appeal.

The agency has consistently maintained a relatively low level of assessment appeals with less than 0.1% of properties being appealed in 2011. Of the 755 property appeals initiated, 625 (82.7%) were resolved by agreement or withdrawn prior to the formal appeal process.

**Property Assessment Appeals**
Number of Appeals




Once every four years the agency revalues all properties in each of its client municipalities to reflect a more current valuation base date. The 2009 Revaluation involved the revaluation of 783,011 properties. Appeals were initiated on 3,040 (0.39%) properties, and 632 appeals (less than 0.1%) needed to be resolved by boards of revision.

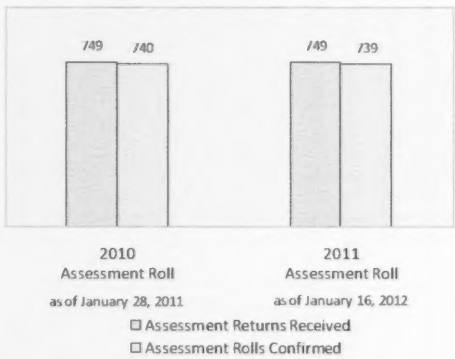
In 2013, the agency is expecting up to 5,200 properties to be appealed to the local board of revision.

### Confirmation of municipal assessment rolls

The SAMA Board is responsible for confirming the assessment roll of all Saskatchewan municipalities after taking steps to ensure that the assessments in the municipality have been completed in accordance with legislation. Municipalities require this confirmation to allow them to enforce the collection of property taxes.

Both confirmation audits and primary audits are conducted to determine whether a municipality's assessments have been prepared and administered in accordance with the municipal Acts. For the 2011 assessment roll year, 749 (96.6%) of all municipalities had submitted their assessment return by January 16, 2012.

**Confirmed Assessment Rolls**
Number of Municipalities




The agency had confirmed 739 (98.7%) of the submitted assessment rolls, and ten assessment returns were still being processed.

## Measure - Cost of property assessment services

### Business process improvements through Lean

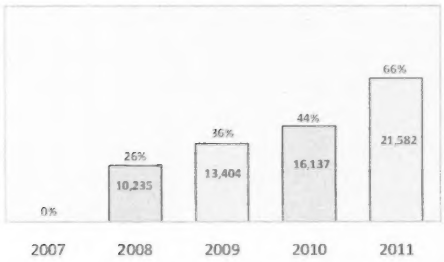
In 2008, the agency undertook a major initiative that employs Lean process improvement methods to increase quality, timeliness, efficiency and productivity in the delivery of the agency's programs and services. The Lean philosophy focuses on eliminating waste, variation and imbalance in work processes, and promotes actions and behaviours that add value to the products and services provided to the agency's clients.

Overall objectives for the Lean initiative are to realize a 25% increase in quality, timeliness, efficiency and productivity, to develop highly engaged staff who take ownership of the business process, and to be better able to meet the increasing demands of the agency's clients.

*Annual maintenance program*

Over the past five years completion of annual maintenance reviews has been progressively advanced to better balance the agency's workload and provide a more timely service to client municipalities.

**Annual Maintenance Reviews Completed**
Percentage of Following Year's Assessment Roll
Reviewed by December 31st




The agency has successfully advanced the annual maintenance program by 3-4 months so that the majority of the work is now being completed and delivered in Q3 and Q4 of the year preceding when it will be used on the assessment roll.

In 2011, the agency reviewed 21,582 properties (66% of the annual maintenance program) by December 31st, a significant improvement over 2008 when only 10,235 properties had been reviewed by year end.

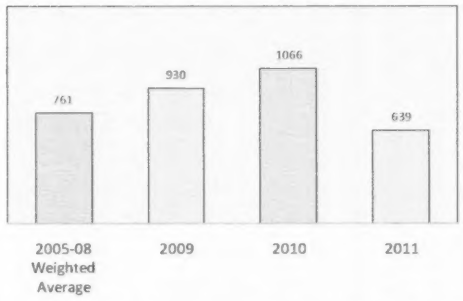
The agency expects to complete 90% of the 2013 maintenance program by December 31, 2012.

*Property reinspection program*

Significant successes have been achieved through Lean process improvements in the property reinspection program.

Property reinspection productivity had increased 40% from 761 to 1066 properties per appraiser by 2010, surpassing the 25% increase targeted to be achieved by 2011.

**Reinspection Rate of Production**
**Residential, Commercial & Agricultural Properties**
Number of Inspections per Appraiser




In 2011, the rate of production dipped to 639 properties per appraiser. This reduction has been attributed to the unique nature of the 2011 reinspection program that focused primarily on more complex commercial property reinspections.

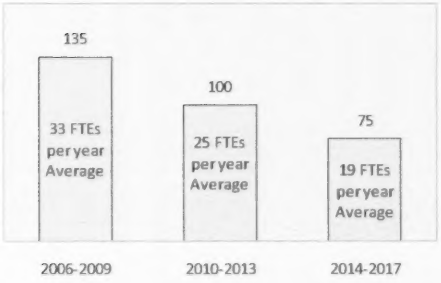
The agency also decided to focus primarily on its commitment to reinspect all commercial properties over four years. As a result 76% of the reinspections in 2011 were of commercial properties, while the mix of properties in 2010 was approximately 25% commercial, 25% residential and 50% agricultural land.

*Property revaluation program*

Significant successes have been achieved through Lean process improvements to identify and make changes to the sales verification and market analysis processes.

Business process improvement changes to the sales verification and market analysis processes have resulted in a 25% reduction in appraiser FTEs on revaluation activities for the 2010-2013 revaluation cycle. A four-year total of 135 FTEs were utilized for the 2006-2009 revaluation cycle compared to 100 FTEs that will be used for the 2010-2013 revaluation cycle.

**Revaluation Resources**
Total FTEs per Revaluation Cycle




Further simplification of revaluation processes is planned for the 2014-2017 revaluation cycle. Lean process improvements, less complex valuation models and market value trending will reduce the appraiser resources required a further 25% to 75 FTEs for the four-year cycle or an average of 19 FTEs annually.

In 2011, the agency utilized 29.0 FTEs on the revaluation program compared to 54.5 FTEs in 2007 which is the most recent comparable year in the previous four-year revaluation cycle. The 25.5 FTEs gained from the revaluation program were utilized to deliver the 54% volume increase in the annual maintenance program (11.7 FTEs), and in the reinspection and support of value programs (5.6 FTEs). The remainder of the positions were abolished in 2010.

## Agency operating costs

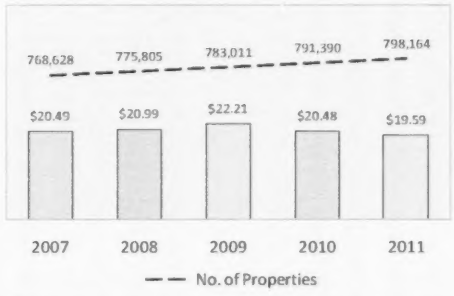
Benchmarked against provincial property assessment agencies, SAMA continues to provide the lowest cost assessment services in the country at $19.59 per property.

The agency has reduced its operating costs per property by 12% over the past two years – from $22.21 per property in 2009 to $19.59 per property in 2011.

**Canadian Jurisdictions**
Cost per Property

These reduced operating costs per property can be attributed to a combination of reduced expenditures and an increasing inventory of assessable properties. The agency's assessable property inventory has increased 1.9% since 2009.

**Agency Operating Cost**
Cost per Property




While operating costs have been reduced, the implementation of Lean process improvements over the past three years has effectively offset any significant negative impact on the agency's services to client municipalities and the province.

For 2012, operating costs will be held at $19.60 per property. With operating expenditures increasing 3.3% in 2013 and continuing growth of 7,000 property accounts per year, operating costs will increase 2.5% to $20.10 per property for 2013.

## Measure – Workforce commitment

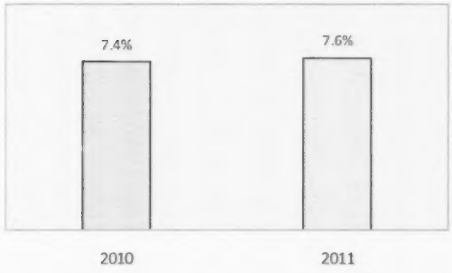
### Workforce turnover

The agency's success in providing property assessment services within Saskatchewan depends on the knowledge, skills and expertise of our employees and the agency's ability to attract and retain a talented and skilled workforce in a highly competitive labour market.

Demographic and labour market trends have signalled a need for the agency to plan its future workforce. The assessment community is facing significant challenges due to a large number of pending and recent retirements, and education providers are not receiving enough applicants and students to support the work of assessment agencies across the country.

These trends have contributed to a shortage of skilled and experienced practitioners within the property assessment industry and will continue to affect the work of the agency into the future.

**Workforce Turnover**
Percentage of Permanent FTEs



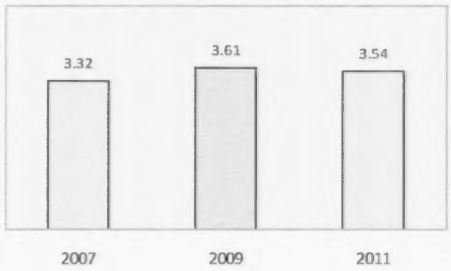

While the agency continues to create and follow positive workplace practices to increase employee retention, the workforce turnover rate of 7.6% in 2011 was substantially higher than the agency would like. The higher turnover rate was attributed to retirements and employee reaction to budget reductions over the past two years.

### Overall employee satisfaction

The agency is striving to create a culture of motivated and engaged employees who work together in a productive, continuously improving environment, guided by leadership that is based on a clear and positive vision of the future, using processes that consistently deliver what is expected in order to consistently satisfy our clients' needs.

In 2011, overall employee satisfaction was rated 3.54 out of 5 – a slight decrease from the 2009 employee satisfaction rating of 3.61.

**Employee Satisfaction Rating**
(Out of 5)




The level of employee satisfaction has remained relatively stable given the 14.3% reduction made to the agency's workforce in 2010.

Employees listed the following as the things they like the most about working at the agency – flexible work schedules contributing to comfortable work-life balance, working conditions including new challenges through a variety of tasks, and cohesive team relationships created through the combination of co-workers and positive work environment.

# Financial Summary

## 2013 Estimates

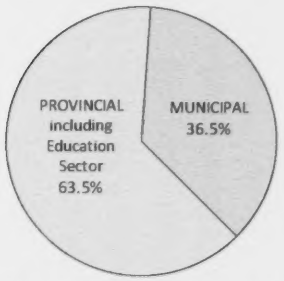
| Operating Budget [1] | 2012 | % Share | 2013 | % Share | Variance from 2012 Amount | % |
|---|---|---|---|---|---|---|
| **REVENUES (000s)** | | | | | | |
| Provincial - Operating | $9,565 | 62.3% | $10,087 | 63.5% | $522 | 5.5% |
| Municipal Requistion | 5,788 | 37.7% | 5,788 | 36.5% | 0 | 0.0% |
| Other Revenue | 435 | | 435 | | 0 | 0.0% |
| **Total Operating Revenues** | **$15,788** | $15,353 | **$16,310** | $15,875 | $522 | 3.3% |
| **EXPENDITURES (000s)** | | | | | | |
| Salaries and Benefits | $11,910 | | $11,749 | | -$161 | -1.4% |
| Other Expenses | 4,561 | | 4,561 | | 0 | 0.0% |
| **Total Expenditures** | **$16,471** | | **$16,310** | | -$161 | -1.0% |
| **Surplus (Deficit)** | **-$683** | | **$0** | | | |
| Managed Expenses | 488 | | 0 | | | |
| Unrestricted surplus | 195 | | 0 | | | |
| **Ending Surplus (Deficit)** | **$0** | | **$0** | | | |
| **FTE Staff Complement** | **152.25** | | **143.75** | | | |

1. The agency also provides assessment valuation services to the City of Moose Jaw under contract. The revenues and expenses ($459,000) and permanent employee positions (6 FTEs) associated with this contract are not included in the Agency's operating budget.

| Capital Budget [1] | Project 2013-2017 | % Share | 2013 | % Share |
|---|---|---|---|---|
| **REVENUES (000s)** | | | | |
| Provincial - Restricted Grant | $2,449 | 50.0% | $612 | 50.0% |
| Municipal - Requested services fee [2] | 2,449 | 50.0% | 612 | 50.0% |
| **Total Operating Revenues** | **$4,897** | | **$1,224** | |
| **EXPENDITURES (000s)** | | | | |
| GIS and web portal access to SPAN System | $1,808 | | $452 | |
| Remote data collection tablets and digital imagery | 3,089 | | 772 | |
| **Total Expenditures** | **$4,897** | | **$1,224** | |

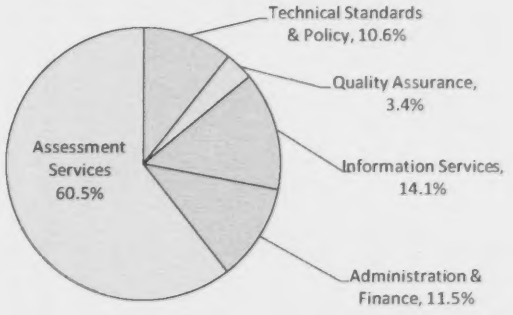
1. Capital funding for acquisition of new technologies is not provided for in the Provincial operating grant or municipal requisition. Previous technological acquistions have been funded by restricted provincial grants under the AMA Act s.18.01(7)-(8).
2. Additional services fees for services requested by a municipality are provided for under the AMA Act s.18.031(1)(a) and 18.031(2)(b).

**Share of Operational Funding**




Legislated funding shares:
- Provincial 65%
- Municipal 35%

**Operational Program Spending**



## 2013 Funding Request

**Proposed Budget**

| | | |
|---|---|---|
| Provincial grant | $10,087,000 | +5.5% |
| Municipal requisition | 5,788,000 | +0.0% |
| Other revenues | 435,000 | +0.0% |
| Total operating revenues | $16,310,000 | +3.3% |
| Contingency reserve from rounding of service fees | $102,875 | New |
| Capital for new technologies | $1,224,250 | New |
| Total funding revenues | $17,637,125 | |

Capital funding for new technologies over 4 years:

| | | | |
|---|---|---|---|
| Restricted Provincial grant | 50% | $612,125 | New |
| Requested services fee | 50% | 612,125 | New |
| Annual maintenance service agreement | Properties | Fee | Rate |
| Residential, commercial and ag land | 34,000 | $340,000 | $10.00 |
| Oil and gas properties | 75,000 | $75,000 | $1.00 |
| Mines, pipelines & railways | 3,000 | $300,000 | $100.00 |

**Alternative Option**

| | | |
|---|---|---|
| Provincial grant | $9,565,000 | +0.0% |
| Municipal requisition | 5,788,000 | +0.0% |
| Other revenues | 435,000 | +0.0% |
| Fixed operating revenues | $15,788,000 | +0.0% |
| Variable operating revenues | $522,000 | Inflation |
| Capital for new technologies | $1,265,500 | New |
| Total funding | $17,575,500 | |

Variable operating & capital funding for new technologies over 4 years:

| | | | |
|---|---|---|---|
| Requested services fee | | $1,787,500 | New |
| Annual maintenance service agreement | Properties | Fee | Rate |
| Residential, commercial and ag land | 34,000 | $850,000 | $25.00 |
| Oil & gas properties | 75,000 | $187,500 | $2.50 |
| Mines, pipelines & railways | 3,000 | $750,000 | $250.00 |

- Operational funding set out under current legislation.
  - Province to fund operating increases until the 65:35 shares are reached.
  - Province 100% of operating increase.
  - Municipalities 0% of operating increase.
- Capital funding option under current legislation.
  - Province funds 50% of new technologies as a restricted Provincial grant over four years.
  - Municipalities fund 50% of new technologies as a requested service fee over four years.
  - Rounding of service fee rates creates a contingency reserve that will vary from year to year depending upon maintenance volumes.

- Operational funding set out under current legislation.
  - Provincial funding is frozen at 2012 amount.
  - Municipal requisition is frozen at 2005 amount.
- Variable operating and capital funding option under current legislation
  - Funded over four years.
  - Rate per property based on present annual maintenance program.
  - Proportion of service fee funded by municipalities and the education sector, represented by the Province, to be negotiated.

Saskatchewan Assessment Management Agency
200 – 2201 – 11th Avenue
Regina SK S4P 0J8

Tel: 306-924-8000 or
800-667-7262
Fax: 306-924-8070

Web site: www.sama.sk.ca